

25 JANUARY 2007

DRAFT BUDGET 2008/09

Ward(s) All

Portfolio Cllr Griffiths – Finance and Personnel
Cllr Arif – Transformation and Performance Management

Summary of report

This report presents the draft revenue budget for services falling within the remit of this panel for 2008/9 along with saving and investment options in respect of the revenue budget 2008/9 to enable consideration and further recommendations to cabinet.

Recommendations

To consider the information within this report and make recommendations to cabinet as appropriate.

Signed



CFO James T Walsh

Date: 17 January 2008

Reason for scrutiny

To enable scrutiny of the draft budget for 2008/9 along with options for investment and savings in the context of setting the 2008/9 corporate revenue budget.

Resource and legal considerations

Services were requested to identify efficiency savings and investment for consideration in the setting of the 2008/9 corporate revenue budget and to review their base budgets in line with the corporate guidelines and estimated changes in inflation and pay awards.

The consideration of the draft budget reports by the scrutiny panels is an integral part of the council's budget setting process.

Citizen impact

The budget is aligned with service activity within service plans across the council. Investment has been targeted at service improvement, stability and user demand.

Environmental impact

None directly associated with this report.

Performance management

Draft budgets, investment and savings options are considered in the context of service targets and outcomes.

Equality implications

Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil equal opportunities obligations.

Background papers

Various financial working papers.

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1. DRAFT REVENUE BUDGET FOR 2008/9

- 1.1 The draft revenue budget for 2008/9 has been calculated based on the 2007/8 budget which has been adjusted in line with expected inflationary and other factors. A summary of which is shown in **Table 1** below.

Table 1 – Calculation of 2008/9 Draft Revenue Budget for Corporate

Description	£'m
Base Budget 2007/08	15.350
Budget Refresh: allocation of pay inflation and other pay changes	0.110
Budget Refresh: allocation of contractual and other inflation	0.513
Other changes	(0.102)
Full year effect investment	0
Full year efficiencies	0
Sub-total prior to new investment and new efficiencies	15.870
New Efficiencies	(1.106)
New Investment	0.282
Base Budget 2008/09	15.046

2 SCRUTINY RECOMMENDATIONS TO CABINET

- 2.1 At its budget scrutiny meetings on 26 November 2007, 28 November 2007 and 13 December 2007, this panel received a number of Corporate investment bids and savings options proposals to enable recommendations to be made to cabinet for consideration for inclusion in the draft budget proposals. Over the course of these three meetings the panel determined recommendations to put forward. These and recommendations from other scrutiny panels were reported to cabinet on 19 December 2007 and cabinets' draft budget proposals were considered at their meeting of 16 January 2008. In addition further options have since been included in the draft cabinet budget proposals. The attached appendices show which proposals are included in the draft budget alongside this panels recommendations. **Appendix 1** relates to investment and **Appendix 2** relates to savings and fees and charges.

- 2.2 In addition to the above, the panel made recommendations in relation to the corporate draft revenue proposals (covering council wide budgets). **Appendices 3 to 5** give investment, fees and charges and efficiencies details respectively across each directorate and highlight which are included in the budget..

Draft investment options included in 2008/09 draft budget

Detail	Value £	Scrutiny Panel	Decision by Scrutiny Panel
Legal Services Salary Review. Independent report shows that salaries offered by Walsall are uncompetitive which is backed up by high staff turnover in recent years	154,000	Corporate	Yes
2 new Conveyancer posts required to manage increased workload to maintain level of capital receipts	128,000	Corporate	Yes

Draft investment options recommended NOT included in 2008/09 draft budget but recommended by Scrutiny

Detail	Value £	Scrutiny Panel	Decision by Scrutiny Panel
Government reduction in admin grant by 3%	159,305	Corporate	Yes
Publications needed as current service is at minimum	40,000	Corporate	Yes
2 Additional Transformation Consultants	109,500	Corporate	Yes
Additional web development officer	24,500	Corporate	Yes
Corporate equality learning and development plan	52,000	Corporate	Yes
Review of SC&I Financial Administration IT Systems	33,914	Corporate	Yes

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Draft Revenue Budget 2008/09 +

Appendix 3

Draft investment options recommended by one or more scrutiny panels

Detail	Value £	Scrutiny Panel	Decision by Scrutiny	Decision by Corporate
Community Safety - effect of new legislation and government policy which comes into force in 2008/09	135,000	Neighbourhood	Yes	Yes
PFI Lighting Additional Costs. These costs are above the initial contract.	85,000	Neighbourhood	Yes	Yes
Public Realm Maintenance - maintenance of specialist areas by engineering and transportation - specialist equipment	25,000	Neighbourhood	Yes	Yes
Arboretum Restoration Programme - Stage 2 heritage lottery Fund bid	130,000	Neighbourhood	Yes	Yes
Catering Service - Impact on income from healthy eating and loss of contracts and additional costs.	169,000	Neighbourhood	Yes	Yes
Increases in building costs of Blakenall Library. New Deal increasing service costs	46,593	Neighbourhood	No	Yes
Grounds - Reinstatement of 2007/08 saving re: Litter picking and sweeping frequencies.	252,000	Neighbourhood	Yes	Yes
Increased Fuel Costs. This is to cover continued rising price of fuel. In the current year we are 90k over current budget(funded by central contingency)	165,000	Neighbourhood	Yes	Yes
Landfill Tax Increase. Previously a £3 increase was expected but that increase is now £8, this bid funds the £5 additional increase.	800,000	Neighbourhood	Yes	Yes
New Grounds Sites. With extra ground sites more maintenance is required, this bid covers the additional maintenance in summer months	39,000	Neighbourhood	Yes	Yes
New Waste Collection Service. This bid would cover worst case scenario but is dependant on results of public consultation	250,000	Neighbourhood	Yes	Yes
Routine Highway Authority Tree Inspections	30,000	Neighbourhood	Yes	Yes

Detail	Value £	Scrutiny Panel	Decision by Scrutiny	Decision by Corporate
To reduce the budget of income expected from markets to realistic levels	185,000	Regeneration	Yes	Yes
Additional Child Concern Workers to support the development of localised integrated working.	150,000	Children and Young People	Yes	Yes
Older persons - Demographic Growth.	219,026	Social Care and Inclusion	Yes	Yes
Walsall's Independent living centre continuation.	85,000	Social Care and Inclusion	No comment made	Yes
Social Care YADS - client demand growth future years	764,000	Social Care and Inclusion	No comment made	Yes
Occupational Therapy staffing structures - younger adults disability services	163,883	Social Care and Inclusion	No comment made	Yes
Social care client Based Income shortfall	450,000	Social Care and Inclusion	No comment made	Yes
Learning Disability Demographic Growth - new cases 08/09.	464,334	Social Care and Inclusion	No comment made	Yes
Criminal justice and Social Inclusion (Mental Health).	60,000	Social Care and Inclusion	No comment made	Yes
Service Modernisation, Commissioning & Improvement - social care and inclusion	139,000	Social Care and Inclusion	No comment made	Yes
Legal Services Salary Review. Independent report shows that salaries offered by Walsall are uncompetitive which is backed up by high staff turnover in recent years	154,000	Corporate	Yes	Yes
2 new Conveyancer posts required to manage increased workload to maintain level of capital receipts	128,000	Corporate	Yes	Yes
Redundant Buildings - Ongoing costs of ensuring vacant buildings are not vandalised etc.	50,000	Corporate	No	No

Draft fees and charges options recommended by one or more scrutiny panels

Detail	Value £	Scrutiny Panel	Decision by Scrutiny Panel	Decision by Corporate Scrutiny
Increase in charges for switching of traffic signals	(2,500)	Neighbourhood	Yes	Yes
Roadworks management - introduction of fixed penalty notices	(25,000)	Neighbourhood	Yes	Yes
Increase charges to developers - engineers	(4,000)	Neighbourhood	Yes	Yes
Increase in staff car parking charges	(7,000)	Neighbourhood	Yes	Yes
Introduction of charging of car parking in Bridgeman Street car parks	(15,000)	Neighbourhood	Yes	Yes
Increase in charges for MOT testing, re-testing and servicing	(10,000)	Neighbourhood	Yes	Yes
Increase trade waste collection charges (10%)	(20,000)	Neighbourhood	Yes	Yes
Trading standards licensing - increase in income	(5,000)	Neighbourhood	Yes	Yes
Disinfestations - increase in charges and offering services to a wider customer base	(10,000)	Neighbourhood	Yes	Yes
Bereavement services - increase in fees and charges	(100,000)	Neighbourhood	Yes	Yes
Adopt legislation to charge for naming and numbering of roads	(6,000)	Neighbourhood	Yes	Yes
Costa Coffee rental income	(34,000)	Neighbourhood	Pending	Pending
Sponsorship of festive lights	(43,000)	Neighbourhood	Yes	Yes
Increase in trade income	(50,000)	Neighbourhood	New	New
Further increase in MOT charges	(5,000)	Neighbourhood	New	New
Increase charges to schools for swimming pool maintenance	(2,500)	Neighbourhood	Yes	Yes
Payments for externally provided archaeological services	(25,000)	Regeneration	Yes	Yes
Consultants Fees - Regeneration (assumed to be charged capital programme - currently unfunded)	(11,000)	Regeneration	Yes	Yes
Professional Fees and Services Regeneration (assumed to be charged capital programme - currently unfunded)	(12,000)	Regeneration	Yes	Yes

Draft efficiencies options recommended by one or more scrutiny panels

Detail	Value £	Scrutiny Panel	Decision by Scrutiny	Decision by Corporate
Reduction in cost of disposing of residual waste to incineration and reduction in tonnage of waste to landfill	(390,000)	Neighbourhood	Yes	Yes
Restructure traffic management	(3,000)	Neighbourhood	Yes	Yes
Environmental health - deletion of vacant part time post	(22,000)	Neighbourhood	Yes	Yes
Trading standards licensing - re-structure	(22,000)	Neighbourhood	Yes	Yes
Bereavement services - restructure	(20,000)	Neighbourhood	Yes	Yes
Art Gallery - Admin / IT / misc.	(5,000)	Neighbourhood	Yes	Yes
Art Gallery - front of house / operations / security	(15,000)	Neighbourhood	Yes	Yes
Art gallery building maintenance / utilities	(5,000)	Neighbourhood	Yes	Yes
Equality and Diversity team - share support for translation with SCI (in consolation with SCI)	(16,000)	Neighbourhood	Yes	Yes
Foregoing inflation increases and minor staff changes - property services	(104,000)	Neighbourhood	Yes	Yes
Office rationalisation	(225,000)	Neighbourhood	Yes	Yes
General efficiency savings - SWBP	(34,000)	Neighbourhood	Yes	Yes
Trading standards - reduced food standards	(10,000)	Neighbourhood	Yes	Yes
Trading standards - reduction in non food sampling	(10,000)	Neighbourhood	Yes	Yes
COCE - Out of school family learning service - service has already ceased	(41,000)	Neighbourhood	Yes	Yes
Environmental health - reduction in food microbiological sampling	(4,000)	Neighbourhood	Yes	Yes
Equality and Diversity team - restructure of team	(25,000)	Neighbourhood	Yes	Yes
Deletion of vacation trainee post - fleet services	(17,500)	Neighbourhood	Yes	Yes
Energy savings - capital investment 2007/8	(50,000)	Neighbourhood	Yes	Yes
Combine greenspaces building maintenance and play fitters into one team. Play fitters inspection role is statutory.	(30,000)	Neighbourhood	Yes	Yes
Reduce promotion of events in Walsall Town Hall	(5,000)	Neighbourhood	Yes	Yes
Reduce direct funding of the greenspaces improvement team	(30,000)	Neighbourhood	Yes	Yes
Deletion of information support officer post - land charges	(16,173)	Regeneration	Yes	Yes
Reduction in supplies and services - Planning & Building Control	(25,000)	Regeneration	Yes	Yes
Vulnerable children's service - reduction in mileage budgets	(20,000)	Children and Young People	Yes	Yes
Child protection & review services - reduction in supplies budgets	(13,000)	Children and Young People	Yes	Yes
Local and prevention - realignment of grant funding	(61,000)	Children and Young People	Yes	Yes
Youth offending service - remodelling for development of integrated youth support service	(45,000)	Children and Young People	Yes	Yes
Sharpened approach to procurement activity	(2,025,000)	Children and Young People	Yes	Yes
Youth service - remodelling for development of integrated youth support service	(200,000)	Children and Young People	Yes	Yes
Working with the independent sector and voluntary organisations to reduce the cost of external placements and to provide contract efficiencies	(94,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Reduction of cost of external placements and contract efficiencies	(168,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Restructuring and efficiencies from within the care management teams via brokerage, change in assessment processes and streamlining practices (further detail needed) - 2009/10+	0	Social Care and Inclusion	Decision not required until 2009	Yes
Reduced expenditure on interim management - social care & inclusion	(139,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Working with the independent sector and voluntary organisations to reduce the cost of external placements and to provide contract efficiencies	(100,000)	Social Care and Inclusion	Decision not required until 2009	Yes
Mental health subject to joint organisation - efficiencies arising from economies of scale / joint working - 2009/10+	0	Social Care and Inclusion	Decision not required until 2009	Yes
Working with the independent sector and voluntary organisations to reduce the cost of external placements and to provide contract efficiencies	(640,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Restructuring and generating efficiencies from within the care management teams via brokerage, changing in assessment processes, streamline practices. - 2009/10+	0	Social Care and Inclusion	Decision not required until 2009	Yes
Reduced expenditure on repairs and maintenance due to recent investment	(217,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Externalisation of integrated community equipment store	0	Social Care and Inclusion	Decision not required until 2009	Yes
Externalise non specialist home support elements of home support.	0	Social Care and Inclusion	Decision not required until 2009	Yes
Savings in homecare as a result of using assistive technology	(300,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Deletion team manager post following amalgamation of YADS and LD. Also restructuring and generating efficiencies from within the care management teams.	(20,000)	Social Care and Inclusion	Discussed at scrutiny but no decision given	Yes
Reduction in car mileage claims- Revenue and Benefits	(10,000)	Corporate	Yes	Yes
Changes to out of hours activity payments - Revenue & Benefits	(13,000)	Corporate	Yes	Yes
Reduction in training budgets - Strategic Transformation	(25,000)	Corporate	No	No
Employee services transactional recruitment	(40,000)	Corporate	Yes	Yes
Transactional team - administration of all aspects of employment life cycle	(40,000)	Corporate	Yes	Yes
Payroll / pensions control	(20,000)	Corporate	Yes	Yes
Admin support to Children & Young People's services	(80,000)	Corporate	Awaiting risk assessment	Awaiting risk assessment
Admin support to Social Care & Inclusion	(80,000)	Corporate	Awaiting risk assessment	Awaiting risk assessment
Accounts payable and accounts receivable savings	(40,000)	Corporate	Yes	Yes
Efficiencies arising from the Oracle project - 2009/10+	0	Corporate	Yes	Yes
Admin support to HRD OD activity	(40,000)	Corporate	Yes	Yes
Reduction in audit fees following implementation of CAA - 2009/10+	0	Corporate	Yes	Yes
Reduction in training budgets - Internal Audit	(10,000)	Corporate	Yes	Yes
Reduction in debt charge costs for Magistrates courts	(30,000)	Corporate	Yes	Yes
Re-structure of service support finance teams and finance support to services	(60,000)	Corporate	Yes	Yes
Streamlining of monitoring process due to Oracle improvements 2009/10+	0	Corporate	Yes	Yes
Removal of SWBP mediation discretionary base budget	(6,000)	Neighbourhood	New	New

Detail	Value £	Scrutiny Panel	Decision by Scrutiny	Decision by Corporate
Removal of SWBP race harassment and tension monitoring discretionary base budget	(4,000)	Neighbourhood	New	New
Removal of neighbourhood partnership discretionary base budget	(12,000)	Neighbourhood	New	New
Removal of Workforce planning- HRD discretionary base budget	(176,000)	Corporate	New	New
Reprovision of Darlaston multi purpose centre and reprovision at future date	(10,000)	Neighbourhood	New	New
Deletion of 2 x part time car park attendants - no external patrol of leisure centre	(6,000)	Neighbourhood	New	New
Cease funding borough wide schemes from voluntary sector grants < £15k	(15,000)	Neighbourhood	New	New
Part time gym instructor - reduced availability of gym instruction in childrens gyms	(5,000)	Neighbourhood	New	New
Alternative medium for delivering the curriculum programme which could allow us to release the narrowboats	(26,000)	Neighbourhood	New	New
Cease funding for community cohesion as part of restructure of equality and diversity team	(40,000)	Neighbourhood	New	New
Energy Savings from good house keeping	(40,000)	Neighbourhood	New	New
PMI Budget (Day to day maintenance of buildings)	(50,000)	Neighbourhood	New	New
Deletion of senior engineer in highways management	(24,000)	Neighbourhood	New	New
Re-tender of urban traffic control contract	(20,000)	Neighbourhood	New	New
Further efficiencies art gallery	(25,000)	Neighbourhood	New	New
Combining greenspaces and arts events teams	(30,000)	Neighbourhood	New	New
Not filling vacancy in greenspaces improvement team	(40,000)	Neighbourhood	New	New
Further reduction in waste disposal	(50,000)	Neighbourhood	New	New
Deletion vacant post - fleet	(32,000)	Neighbourhood	New	New
Reduction in costs fleet materials - Street Pride	(20,000)	Neighbourhood	New	New
Library staffing savings	(70,000)	Neighbourhood	New	New
Seek project funding for LNP's from alternative grant sources	(50,000)	Neighbourhood	New	New
Shopmobility - outsourcing of the service - 2009/10+	0	Neighbourhood	New	New
Reduction in printing costs for Walsall Pride/Team Spirit	(10,000)	Corporate	New	New
Transfer of contribution for Walsall Regeneration Company from revenue to LABGI funding.	(50,000)	Regeneration	New	New
Transfer of contribution for Black Country Consortium (BCC) from revenue to LABGI funding	(50,000)	Regeneration	New	New
Vulnerable children's service - reduction in premises costs	(40,000)	Children and Young People	New	New
Youth offending services - reduction in building repairs and maintenance	(5,000)	Children and Young People	New	New
Reduce budget for buildings maintenance - youth service	(20,000)	Children and Young People	New	New
Remodelling and integration of youth and youth offending service - efficiencies	(25,000)	Children and Young People	New	New
Remodelling and integration of youth and youth offending service - efficiencies	(10,000)	Children and Young People	New	New
Remodelling and integration - reduce youth support staff	(56,000)	Children and Young People	New	New
Delete specialist independent consultancy support	(75,000)	Children and Young People	New	New
Reduce support to looked after children	(42,000)	Children and Young People	New	New
Youth service - reduced building maintenance	(15,000)	Children and Young People	New	New
Welfare rights administration - transfer to trust status	(200,000)	Corporate	New	New
Recruitment - support to management	(53,000)	Corporate	New	New
Cease graduate training scheme	(34,000)	Corporate	New	New
Deletion of information assistant post within SCI performance and outcomes team	(18,000)	Corporate	New	New
Management development centres - new	(48,273)	Corporate	New	New
Public protection admin support	(7,868)	Corporate	New	New
Reduce support to members and LNP's	(25,000)	Corporate	New	New
Deletion of finance officer post	(31,000)	Corporate	New	New
Improvement of recovery rates of overpayments	(25,000)	Corporate	New	New
Reduce discretionary relief on NNDR	(75,000)	Corporate	New	New
Reduction in admin support to recruitment and redeployment activity	(19,000)	Corporate	New	New
Reduction PA / secretarial support to senior managers	(50,000)	Corporate	New	New
Reduction in admin support to Leisure Culture and Lifelong Learning - 2009/10+	0	Corporate	New	New
Reduction in performance management and policy - 2009/10+	0	Corporate	New	New
Reduction in admin support to print & design - 2009/10+	0	Corporate	New	New
Coordination of consultation and engagement activity and other savings within consultation, feedback & information team	(7,500)	Corporate	New	New
Restructure of project team and performance team (only possible if project software system is implemented) - 2009/10+	0	Corporate	New	New
Reduction in support of non statutory elements of performance management across regeneration and neighbourhood services	(10,500)	Corporate	New	New
Other savings within performance management relating to CPA (2.5k), training (5.75k) and quality assurance assessments (5.75k)	(14,000)	Corporate	New	New